

**PROPERTY ASSESSMENT APPEAL BOARD**  
**FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER**

PAAB Docket No. 2019-008-00276R

Parcel No. 08-8426-22-23-82-055

**Joshua Jacobsen,**

Appellant,

vs.

**Boone County Board of Review,**

Appellee.

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**Introduction**

This appeal came on for hearing before the Property Assessment Appeal Board (PAAB) on January 31, 2020. Joshua Jacobsen was self-represented. Boone County Attorney Daniel Kolacia represented the Board of Review.

Jacobsen owns a residential property located at 1723 Clinton Street, Boone. The Assessor's Office originally valued the subject at \$309,800 for the January 1, 2019 assessment. (Ex. A-C).

Jacobsen petitioned the Board of Review contending that the assessment was not equitable, that the property was assessed for more than authorized by law, and there was an error in the assessment. Iowa Code § 441.37(1)(a)(1, 2 & 4) (2019). (Ex. C). The Board of Review upheld the protest, in part, and removed the cost of the driveway, resulting in a reduced assessment of \$308,338. (Ex. A-C, 8).

Jacobsen then appealed to PAAB reasserting his claims of inequity and over assessment. He amended his appeal to add a claim of fraud or misconduct in the assessment under Iowa Code section 441.37(1)(a)(5). At hearing he additionally articulated a claim of error in the assessment. § 441.37(1)(a)(4).

## General Principles of Assessment Law

PAAB has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A. PAAB is an agency and the provisions of the Administrative Procedure Act apply to it. Iowa Code § 17A.2(1). This appeal is a contested case.

§ 441.37A(1)(b). PAAB determines anew all questions arising before the Board of Review related to the liability of the property to assessment or the assessed amount.

§ 441.37A(3)(a). New or additional evidence may be introduced, and PAAB considers the record as a whole and all of the evidence regardless of who introduced it. *Id.*; see also *Hy-Vee, Inc. v. Employment Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005).

## Findings of Fact

The subject property is a two-story home built in 2001 with 2290 square feet of gross living area, 1611 square feet of basement finish, a deck, an enclosed porch, and a two-car attached garage. The dwelling is listed as good-quality grade (3+00) and in normal condition. The site is 0.289 acres. A 20% economic obsolescence adjustment was applied to the dwelling. (Ex. A). Jacobsen purchased the property in November 2017 for \$293,000. (Ex. A & 4).

As alluded to throughout the hearing, PAAB is familiar with the subject property and Jacobsen's claims because we have heard and issued orders on appeals of the subject property's 2017 and 2018 assessments. *Jacobsen v. Boone County Bd. of Review*, PAAB Docket No. 2018-008-00075R and No. 2018-008-00076R (January 30, 2019). We affirmed the 2017 assessment of \$324,351, but modified the 2018 assessment to \$302,000. Much of the evidence submitted in those appeals has been submitted in this appeal. The record contains the following indications of market value of the subject property:

- |  |                    |
|--|--------------------|
| 1. November 2017 purchase price        | \$293,000 (Ex. 4)  |
| 2. Martens July 2017 appraisal         | \$302,000 (Ex. 1)  |
| 3. Richards May 2018 appraisal         | \$300,000 (Ex. 2)  |
| 4. Olerich January 2020 CMA            | \$294,632 (Ex. 33) |
| 5. Kaltenheuser January 2019 appraisal | \$306,000 (Ex. D)  |

6. Jacobsen opinion of 2019 value	\$297,750 (Ex. 9)
7. 2019 Assessed Value	\$308,338 (Ex. A & 7)

PAAB considered the 2017 purchase price in Jacobsen's 2018 appeal assessment and found it was not the most credible and reliable evidence of the 2018 market value of the subject. PAAB Docket No. 2018-008-00075R. Regarding his 2019 appeal, we note the purchase price is lower than all other indications of market value in the record.

Furthermore, we note testimony regarding the sale renders it of questionable reliance. Lora Olerich of Heartland Realty testified for Jacobsen. Olerich stated Heartland Realty was the listing broker in the subject's 2017 sale and she was very involved in the transaction. Olerich suggested the Jacobsens overpaid for the property at that time, but also indicated the sellers were subject to a lawsuit, there was a restitution lien on the property, the sellers were going through a divorce, and the property was sold as a short sale. For all of these reasons we give it no further consideration.

PAAB also considered the Martens 2017 appraisal in Jacobsen's 2018 appeal and found it to be a credible indication of the subject's market value as of January 1, 2018. PAAB modified Jacobsen's 2018 assessment to \$302,000 based on the Martens appraisal. Notable in the context of other issues raised by the parties, however, is that Martens' appraisal did not indicate the subject's wood foundation was a detriment. It also did not indicate the subject's location backing to a park was a positive or negative factor. Lastly, it stated the subject property had double-hung windows in good condition. (Ex. 1).

Olerich offered testimony regarding the condition of the subject property, noting she was last in the property in November 2017. She viewed more recent pictures of the home and evidence of a window claim and testified the conditions reflected therein could, but may not necessarily, impact the market value of the property. (Exs. 10 & 11). She stated that poor or deferred maintenance issues would be reflected in the condition of a property. Olerich also reviewed three neighboring properties that Jacobsen had

identified. She noted two had reductions in assessed values between 2018 and 2019. (Ex. 13).

Jacobsen attempted to show his property was inequitably assessed based on his research of 2018 Boone sales. (Exs. 14-15 & E). Jacobsen's analysis compares 2018 sales to 2018 assessments of five two-story homes, which he calculates show a median assessment/sales price ratio of 1.02. (Ex. 16). We note an equity analysis for an assessment protest typically compares prior year sale prices (2018) to current year assessments (2019). Comparing the 2018 sales to the 2019 assessments of those properties shows the following: (Ex. 16, 21 and 25).

Address	Year Built	Basement Finish (SF)	2018 Sale Price	2019 Assessed Value
Subject	2001	1611		\$308,338
420 Linn St (Mallicoat)	1899	No Finish	\$245,000	\$219,312
1723 Timberline (Junck)	1995	No Basement	\$235,000	\$231,763
610 Prairie Ave (Burkamper)	1959	495	\$275,000	\$285,807
920 Southridge (Kester)	2004	828	\$287,750	\$275,689
1717 SE Linn St (Brooks)	1990	1193	\$310,000	\$302,672

We note Olerich and Kaltenheuser both considered the last two sales in their reports. The majority of the above-properties are considerably older than the subject, have significantly less basement finish, or lack a basement entirely. 420 Linn Street is a Victorian Era style home that transferred three times in 2018 after what appears to be interior and exterior renovations. (Ex.16). 1723 Timberline is similar in appearance, but is a split foyer design and lacks a basement. 610 Prairie Avenue is 42-years older than the subject. We find these properties are not comparable to the subject. Despite their dissimilarities to the subject property, the assessment/sale-price ratios indicate assessments are below or very near market value.

Both Jacobsen and the Board of Review submitted 2018 sales of comparable properties adjusted for differences between them and the subject property. Jacobsen submitted a Comparable Market Analysis (CMA) completed by Olerich on January 30, 2020, that reported a listing price range between \$283,902 and \$316,226, with

\$294,632 as the recommended price. (Ex. 33). We note Olerich's recommended price is the average of her adjusted sales. She testified to her opinion the subject would likely sell somewhere between \$283,000 and \$294,000.

Olerich relied on five sales, four of which were also considered by the Board of Review's appraiser, Bradley Kaltenheuser of Rally Appraisal, LLC. (Ex. D). Kaltenheuser opined a value of the subject as of January 1, 2019, of \$306,000. The property record cards for most of these properties are a part of the record. (Exs. 21, 22, 23, & 24).

Both Olerich and Kaltenheuser testified at hearing. Olerich testified she had over 20 years of experience in the real estate industry and believes her analysis is equivalent to Kaltenheuser's appraisal. Olerich testified there is a low supply of homes and high demand and the market is strong. Similarly, Kaltenheuser also testified he has extensive experience completing appraisals in the Boone area. We find both were knowledgeable of the local real estate market.

The following table summarizes the sales and adjusted values contained in both reports.

Address	Sale Price	Olerich Adjusted Sale Price	Kaltenheuser Adjusted Sale Price	2019 Assessed Value
Subject	NA			\$308,338
1 – 1005 S Jackson	\$285,000	\$301,618	\$304,100	\$277,304
2 – 920 Southridge Dr	\$287,750	\$293,314	\$303,850	\$275,689
3 – 1717 SE Linn St	\$310,000	\$297,377	\$306,200	\$302,672
4 – 1816 Cedar St	\$315,000	\$309,441	\$313,500	\$311,019
5 – 216 Morningside	\$210,000	\$271,412	NA	\$198,309

Sales 1 and 2 are similar to the subject and were listed by both appraisers as being two-story<sup>1</sup> homes. Both have less basement finish of lower quality than the subject property and lack an enclosed porch. These elements of comparison would

<sup>1</sup> Kaltenheuser testified that Sale 2 is actually a one and a half story home, but he viewed it equivalent to a two-story home.

contribute to their lower sale prices and assessed values compared to the subject property.

Sale 3 is eleven-years older than the subject and is the largest comparable in the record with over 3000 square-feet of gross living area.

Sale 4 is a one-story home. It has similar gross living area and basement finish area as the subject, but it has a three-car garage compared to the subject's two-car garage. Jacobsen testified he and his wife had offered to purchase Sale 4 before they purchased the subject property. He concedes it is similar to the subject in terms of quality but believes it is superior to the subject with a more desirable open kitchen floor plan, as well as a kitchen in the lower level. Jacobsen critiqued Kaltenheuser's porch adjustment to Sale 4. Kaltenheuser testified he relied on the assessor's listing of Sale 4, which indicated it has a screened porch. The pictures in the record indicate that at one time Sale 4 had a screened porch, but it has since been converted to a three-season porch. (See Ex. 24, 33). Kaltenheuser testified this would likely reduce the amount of adjustment needed and the value indicated by Sale 4 would be approximately \$310,000.

Olerich reported that Sale 4 was originally listed for \$349,900 and on the market for 297 days before it sold. This may be an indication it was overpriced. Its assessed value to sale price ratio of 0.99 indicates the assessment is at or slightly less than market value.

Olerich also considered Sale 5. It required the highest amount of adjustments; it has the smallest amount of gross living area; it bears little resemblance to the subject; and its sale price was almost \$100,000 less than the subject's 2017 sales price. For these reasons we question the comparability of this sale to the subject property. Additionally, because both Olerich and Kaltenheuser agree Sales 1, 2, 3, and 4 are comparable to the subject, we do not find it necessary to consider Sale 5. If Sale 5 is excluded, we note Olerich's suggested listing price is near the bottom of her adjusted range. Using Olerich's methodology of averaging the adjusted sales to arrive at a recommended listing price and excluding Sale 5, Sales 1 through 4 indicate a recommended listing price of \$300,438.

Olerich adjusted Sales 1, 2, and 3 upward \$6000 for their poured concrete foundations versus the subject's wood foundation.<sup>2</sup> She believes a wood foundation has less appeal in the market. The IOWA REAL PROPERTY APPRAISAL MANUAL makes no distinction in pricing between a wood and concrete foundation. Moreover, it is not clear that the market would recognize such a difference. Kaltenheuser testified some buyers prefer wood over concrete foundations because they provide greater warmth. He also noted wood foundations are prevalent in some areas but he had not specifically analyzed its impact on market value. Sale 4 also has a wood foundation and is the highest sale in the record. If this adjustment were removed from Olerich's analysis, her adjusted sale price would be more in line with Kaltenheuser's analysis.

Kaltenheuser adjusted Sales 3 and 4 upward for having an inferior location/view than the subject. He testified the subject's park view and open-sightline to the rear is superior to the views of these properties. He further notes the market's preference for a lack of neighbors to the rear of a property. In essence, we find Kaltenheuser's adjustment is akin to a location adjustment. Olerich disagreed with Kaltenheuser's adjustment. In her opinion the park was overgrown and not well maintained and therefore detracts from the subject's marketability. We note that despite Olerich's testimony regarding the park, her own remarks highlighting the subject property's features state "Lowell park is in your backyard." (Ex. 33, p. 4). When testifying about the subject's kitchen, Olerich testified these descriptors are "marketing strategies to try to pull a buyer in."

The assessment/sales price ratio for Olerich's and Kaltenheuser's comparable sales suggest properties are assessed near or slightly less than their market values.

Jacobsen was critical of Kaltenheuser's report noting areas he believed were in error, such as the listing of wood floors and a concrete foundation. Kaltenheuser acknowledged he was not admitted for an interior inspection of the subject and relied upon the assessor's listing data. He believed his overall adjustments were on the

<sup>2</sup> Jacobsen asserted the listing of his foundation as wood was an error in the assessment. We note that his property record card reports a concrete foundation, however, a change to wood would not impact the assessment. (Ex. A). According to the IOWA REAL PROPERTY APPRAISAL MANUAL, foundation is a descriptive item only and no adjustments are necessary. MANUAL, p. 7-46

conservative side. We note his final opinion of value concluded to the lower mid-range of the comparables after giving equal weight to all the sales.

The Board of Review pointed out that Olerich's report specifically states it "is not an appraisal and is not intended to meet the requirements set out in the Uniform Standards of Appraisal Practice. If an appraisal is desired, the services of a licensed appraiser should be obtained." (Ex. 33, p. 1). Olerich asserts Kaltenheuser's appraisal reported a "wrong"<sup>3</sup> effective age and incorrectly identified the microwave as being a built-in microwave. She also disagreed about condition issues and as previously discussed had a differing opinion of the view/location adjustment. She acknowledged her CMA contained a high-end recommended price for the subject of \$316,226, but she considered that to be a top price over which she would not agree to list the property for sale.

As alternative support for his over assessment claim, Jacobsen submitted a Desktop Appraisal Report completed by Brandon D. Richards of Ascend Valuation Services, LLC, on May 11, 2018. (Ex. 2). Richards' scope of work summary noted he did not perform an interior inspection of the subject and that "the sales approach is limited due to lack of adjustments." Richards states the market is stable and indicates there are no factors adversely affecting the property's value. The appraisal was completed for financing purposes and concluded a value of \$300,000 as of that date. Richards relied on three sales, one in 2018 and two in 2017. He made no adjustments to the sales for differences between them and the subject. Richards gave most weight to the 2017 sales in his report.

Relying on Richards' desktop appraisal, Jacobsen deducts .075% or \$2,250. He asserts this amount represents the decrease in assessed values in his neighborhood between 2018 and 2019. Based on this, he concludes his property should be assessed for \$297,750.

<sup>3</sup> Olerich referenced Kaltenheuser's use of 12 years as the subject's effective age when its actual age is 18. We note there is a technical difference between actual age and effective age. Moreover, when making his adjustments Kaltenheuser used the subject's actual age of 18 years.



Boone County Assessor Paul Overton testified for the Board of Review and explained the last mass appraisal of the subject and similar properties in Boone took place in 1997. He stated the 2017 and 2018 assessment changes to the subject were based on listing corrections. Overton further stated he last physically inspected the subject when the previous owner protested their assessment, at which time several improvements to the property were discovered. For the 2019 assessment no physical changes were made to the subject property's record and neither the Assessor's office nor the Board of Review's appraiser have been allowed to inspect the subject. Overton testified his research prior to the 2019 assessment indicated that Boone properties in excess of \$227,500 needed little, if any, adjustment to value. (Ex. E) (showing a median 2018 assessment/2018 sales price ratio for Boone properties sold over \$230,000 of 0.9872). In order to achieve appropriate assessments he made an increase in the manual levels from 1.00 to 1.25, a decrease in the map factor from 1.10 to 1.04, and adjusted the depreciation table to accelerate depreciation of newer built homes. Overton also applied economic obsolescence to homes in Boone which resulted in 20% obsolescence applied to the subject. In total, these adjustments were designed to depress the increase in assessments to properties above \$227,500. Overton indicated the 2019 sales price data indicates prices of properties in this range have increased. (Ex. F)

Overton testified Kaltenheuser's opinion of value is within 5% of the assessed value of the subject. In his opinion this complies with the State of Iowa requirement that an assessment be within 5% of a property's market value. He urges PAAB to affirm the assessment despite the Board of Review's appraisal opining a lesser value.

At hearing Jacobsen clarified he was not pursuing fraud as a ground for this appeal, but rather misconduct or misrepresentation. He summarized his claim for misconduct is that there was a "lack of lawful reasoning" in raising his property's assessment. Jacobsen testified he believed he was retaliated against because of his PAAB appeal in 2018 which lowered his assessment. He points to the minutes of the 2019 Board of Review hearing wherein he highlights "Mr. Overton told the Board that

the value of his property would have declined in a similar fashion as what Mr. Jacobsen presented had the 2018 assessment not been changed by PAAB.” (Ex. 19).

In his testimony, Overton clarified that had PAAB not modified the Jacobsens’ 2018 assessment to \$302,000 and it had remained at roughly \$313,000, then in 2019 the Jacobsens’ would have been assessed for less than \$313,000, i.e. received a reduction, based on Overton’s uniform application of mass appraisal methodology. With PAAB’s modification of the Jacobsens’ 2018 assessment, when Overton uniformly applied his methodology, the Jacobsens’ 2019 assessment was increased. Our review of the 2019 Board of Review Hearing indicates his testimony to PAAB was consistent with what he told the Board of Review. (Ex. 8).

Jacobsen also believes he has been discriminated against during the protest process because he submitted an appraisal and comparables and did not receive a reduction but other taxpayers who submitted or mentioned appraisals received reductions. He provided the 2017, 2018, and 2019 session minutes of the Board of Review. (Ex. 18 p. 6-124). He conceded he had no information concerning the other taxpayers, their properties, or their protests. A review of 118 pages of Hearing Session Minutes for these three years reflects that when appraisals were presented or discussed there were often reductions, but mostly due to condition, listing or grade adjustments after assessor staff reviewed the properties in question and made changes to the listings. In most instances, even when appraisals were submitted and the value conclusions noted, the assessments were not lowered to the amount of the appraisals. The video tape of the Board of Review hearing shows the Jacobsens were treated with respect and their evidence was considered. (Exs. 8, &19). The Board of Review reduced the assessment of the subject based on listing corrections. (Ex. C). We also note the Board of Review reduced the assessments on Jacobsen’s commercial property and other residential property after review and/or inspection revealed corrections or updates needed to be made. (Ex. 18).

Finally, on the question of misconduct, Jacobsen asserts the Board of Review has improperly used his personal financial statement, produced in his 2018 PAAB appeal, to raise the 2019 assessments on the subject property, his commercial

property, and his rental residential property. He disagrees with Overton that he supplied the document to the County Attorney's office. He believes his and his family's personal and financial information have been publicly exposed and their identities are at risk. He believes the County was slow in assisting him to have the information redacted and protected as well as evasive in responses to his inquiries concerning who had access to the information. Jacobsen stated he finds it "hard to believe" the Board of Review's answer under oath that they did not see the financial statement in question. He testified his ethical complaint concerning the issue surrounding the financial statement in the 2018 appeal had been dismissed for lack of evidence. According to the video of his protest hearing, as well as the testimony of Overton, the Board of Review did not consider this information and it is not in the possession of either the Board or the Assessor's office.

### **Analysis & Conclusions of Law**

Jacobsen contends the subject property is inequitably assessed, over assessed, and that there was misconduct or misrepresentation in the assessment. Iowa Code § 441.37(1)(a)(1, 2, & 5). He also raised what could be considered an error claim, which we will discuss. § 441.37(1)(a)(4).

First, we note that including the assessment, the record contains no less than four different recent indications of value. The case exemplifies the point that valuation is not an exact science. *Wellmark, Inc. v. Polk Cnty. Bd. of Review*, 875 N.W.2d 667, 672 (Iowa 2016). "The heart of most assessment cases is the evidence of experts applying, at best, their professional judgments within a context of variables which can in no definite way be objectively conclusive." *Sears, Roebuck & Co. v. Sieren*, 484 N.W.2d 616, 617 (Iowa Ct. App. March 24, 1992). Although this case includes allegations of discrimination, targeting, misuse of personal information, and misconduct, we believe this is simply a situation where reasonable people disagree about what a property is worth.

## **Misconduct**

We first address Jacobsen's claim of misconduct. § 441.37(1)(a)(5). Section 441.37(1)(a)(5) requires this ground be specifically stated. Misconduct in an assessment "includes but is not limited to knowingly engaging in assessment methods, practices, or conduct that contravenes any applicable law, administrative rule, or order of any court or other government authority." §§ 441.9, 441.37(1)(a)(5).

In no pleading in this appeal did Jacobsen articulate his basis for this ground for appeal. He has not specified which law, rule, or order has been violated. At hearing Jacobsen made a number of assertions ranging from discrimination, retaliation, and improper use of personal information. Other than his testimony, Jacobsen submitted no corroborating evidence to support his claim of misconduct. We do not find these blanket allegations, without more, are sufficient to demonstrate misconduct. We do not believe, nor has Jacobsen proven, that this case involves a valuation arrived at through discrimination, targeting, or ethical violations. After fully considering Jacobsen's contentions, we conclude he failed to establish misconduct in the assessment.

We comment specifically to note that throughout this appeal the Board of Review accommodated Jacobsen by not objecting to nonspecific pleadings or late filed exhibits and responded to a significant number of discovery requests. While we can understand Jacobsen's concern over the potential disclosure of personal private information, such an issue is not within PAAB's defined statutory directives. In any event, we find there was not sufficient, credible evidence presented showing that any private information was used in arriving at the subject's 2019 assessed value.

## **Error**

Under Iowa Code section 441.37(1)(a)(4), an aggrieved taxpayer or property owner may appeal their assessment on the basis "[t]hat there is an error in the assessment." An error may include, but is not limited to, listing errors or erroneous mathematical calculations." Iowa Admin. Code R. 701-71.20(4)(b)(4). Although not specifically raised, Jacobsen's concerns regarding his home's condition sounds of an error claim. His photographs of the subject property reflect what would generally qualify

as normal condition, with some areas of deferred maintenance. His evidence of his claim against his window company indicates he has been compensated for an inferior product. Moreover, Olerich was ambivalent about how these issues would impact the subject's market value and Richards' appraisal indicated there were no factors adversely affecting the property's value. In total, we do not believe these isolated issues warrant a modification to the property's condition rating as a whole.

Jacobsen further asserts the listing of a concrete foundation rather than a wood foundation on his property record card represents an error in the assessment. First, we note Olerich and Kaltenheuser disagreed about the market response to a wood foundation. Olerich believed it detracts from a property's appeal while Kaltenheuser believed it would have no impact. Additionally, the REAL PROPERTY APPRAISAL MANUAL does not recognize a difference in pricing for this feature and thus it has no impact on the assessed value.

Ultimately, if the property's condition or foundation-type have an impact on its value, that impact would be reflected in the opinions of the property's market value relevant to Jacobsen's other claims. Therefore, we turn to an evaluation of that evidence.

### **Over assessment and Equity**

In appeals before PAAB, there is no presumption that the assessed value is correct. § 441.37A(3)(a). However, the taxpayer has the burden of proof. § 441.21(3). This burden may be shifted; but even if it is not, the taxpayer may still prevail based on a preponderance of the evidence. *Id.*; *Richards v. Hardin County Bd. of Review*, 393 N.W.2d 148, 151 (Iowa 1986).

In *Cott v. Bd. of Review of City of Ames*, the Iowa Supreme Court stated that previous court decrees have no preclusive effect on subsequent tax assessment because "each tax year is an individual assessment which does not grow out of the same transaction." 442 N.W.2d 78, 81 (Iowa 1989). The Court has held, however, that a presumption flows from a prior adjudication of a property's assessed value. *Metropolitan Jacobson Dev. Venture v. Bd. of Review of City of Des Moines*, 524 N.W.2d 189, 192

(Iowa 1994). “ ‘It is presumed that a valuation fixed by the court continues to be the true value of the property in subsequent years’ unless a change in value is shown.” *Id.* (internal citations omitted).

The *Metropolitan Jacobson* Court concluded the evidence in that case did not overcome the presumption and determined the market value of the properties remained the same as set by the prior adjudication. *Id.* at 193. The Court stated, “The evidence is overwhelming that there was no change in the market for warehouse properties that would justify raising the market values of the subject properties in 1991. Additionally, the few physical changes made to the warehouses in 1990 do not support any increases in the 1991 market values of these properties.” *Id.*

PAAB set the subject’s 2018 assessment at \$302,000 in an order issued on January 30, 2019. Months later, the assessment was set at a value exceeding \$302,000. Although we recognize the rationale for changing the assessment was based on the Assessor’s revaluation of property in Boone and the uniform application of methodology, Overton’s testimony also suggested that there was not a significant change in market value for properties in excess of \$227,500 leading up to 2019.

We now turn to the evidence of value offered in this case. Jacobsen indicated his opinion that the subject’s assessed value should be set at the value indicated by Olerich’s CMA. (Ex. 33). In the alternative, he contends his assessment should be modified to \$297,750 based on an adjustment Jacobsen made to the desktop appraisal’s value indication. (Ex. 2 & 9). In the event the foregoing is not found most reliable, he believes the assessment should remain at \$302,000, as set by PAAB for the 2018 assessment.

The Board of Review asserts Kaltenheuser’s appraisal supports the assessed value of \$308,338, but asserts the subject’s value should be set no lower than the \$306,000 value indicated by the appraisal.

While we are skeptical there is sufficient evidence to justify an increase in the subject’s assessment from our prior adjudication, we are convinced the evidence does not demonstrate the property’s value has declined. Substantial evidence and testimony

indicated there was a strong, yet stable market for homes in Boone. As such, we are not persuaded to fully rely upon Olerich's CMA.

We find the desktop appraisal lacks sufficient detail to be fully relied upon and Jacobsen's adjustment to that appraisal likewise unreliable. In addition to the previously stated reason for declining to give full weight to Olerich's indicated value, we additionally note she relied on one sale (Sale 5) that we do not find comparable or reliable. Removing that sale, her listing value indication would increase to roughly \$300,500.

Concluding a value of \$306,000, Kaltenheuser relied on sales we find are generally comparable to Jacobsen's property and Kaltenheuser testified he made conservative adjustments to the sales. We have considered Jacobsen's critique of the appraisal; particularly his concerns about the necessity and degree of some Kaltenheuser's adjustments. We find some of these criticisms have merit and others do not.

Considering all the evidence in the record, we find the subject's 2019 assessed value should remain at \$302,000. We are not persuaded to depart from the valuation determined by our prior adjudication. In making this conclusion, we have considered Jacobsen's equity claim as well. We believe a valuation of \$302,000 recognizes that the comparable properties in the record indicate that other like properties were generally assessed near or slightly below their market values for the 2019 assessment year. See *Maxwell v. Shivers*, 133 N.W.2d 709, 711 (Iowa 1965) ("Under our laws property cannot be assessed at more than its actual value and cannot be assessed inequitably compared to other property.")


## **Order**

PAAB HEREBY MODIFIES the Boone County Board of Review's action. Based on the foregoing, we order the subject property's January 1, 2019 assessed value be set at \$302,000.

This Order shall be considered final agency action for the purposes of Iowa Code Chapter 17A.

Any application for reconsideration or rehearing shall be filed with PAAB within 20 days of the date of this Order and comply with the requirements of PAAB administrative rules. Such application will stay the period for filing a judicial review action.

Any judicial action challenging this Order shall be filed in the district court where the property is located within 30 days of the date of this Order and comply with the requirements of Iowa Code section 441.37B and Chapter 17A (2018).



Dennis Loll, Board Member



Elizabeth Goodman, Board Member



Karen Oberman, Board Member

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